

Net Stable Funding Ratio Information (Consolidated)

Sumitomo Mitsui Banking Corporation and Subsidiaries

Since September 30, 2021, the “Net Stable Funding Ratio” (hereinafter referred to as “NSFR”), the liquidity ratio regulation under the Basel III, has been introduced in Japan. In addition to the application of uniform international standards, SMBC calculates its consolidated NSFR using the calculation formula stipulated in the “Criteria for Evaluating the Soundness of Liquidity Status Set Forth by a Bank as a Benchmark for Judging its Soundness of Management, Based on the Provision of Article 14-2 of the Banking Act” (Notification No. 60 issued by the Japanese Financial Services Agency in 2014; hereinafter referred to as the “Liquidity Ratio Notification”).

■ Disclosure of Qualitative Information about Net Stable Funding Ratio

1. Intra-period Changes in Consolidated NSFR

As described on the following page, the NSFR has remained stable since the introduction of the liquidity ratio regulation on September 30, 2021.

2. Special Provisions Pertaining to Interdependent Assets and Liabilities

SMBC has not applied the “special provisions pertaining to interdependent assets and liabilities” prescribed in Article 101 of the Liquidity Ratio Notification to its NSFR.

3. Other Information Concerning Consolidated NSFR

The Liquidity Ratio Notification stipulates the minimum requirement of the NSFR at 100%. The NSFR of SMBC (consolidated) exceeds the minimum requirements of the NSFR, having no cause for concern. In terms of the future NSFR forecasts, SMBC does not expect significant deviations from the disclosed ratios. In addition, the actual NSFR does not differ significantly from the initial forecast.

■ Disclosure of Quantitative Information about Net Stable Funding Ratio (Consolidated)

(In million yen, %)

Item		Current Quarter (From 2023/1/1 To 2023/3/31)					Prior Quarter (From 2022/10/1 To 2022/12/31)				
		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	
Available stable funding (ASF) items (1)											
1	Capital; of which:	9,617,033	0	0	2,444,042	12,061,076	9,173,127	0	0	2,325,565	11,498,692
2	Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital (excluding the proportion of Tier 2 instruments with residual maturity of less than one year) before the application of capital deductions	9,617,033	0	0	2,070,174	11,687,207	9,173,127	0	0	1,982,859	11,155,986
3	Other capital instruments that are not included in the above category	0	0	0	373,868	373,868	0	0	0	342,705	342,705
4	Funding from retail and small business customers; of which:	61,510,742	37,883	0	24,687	56,402,542	61,675,534	37,687	0	0	56,548,429
5	Stable deposits	19,681,837	0	0	0	18,697,745	20,130,591	0	0	0	19,124,061
6	Less stable deposits	41,828,905	37,883	0	24,687	37,704,797	41,544,943	37,687	0	0	37,424,368
7	Wholesale funding; of which:	69,537,380	55,372,729	5,465,886	19,879,733	59,655,637	65,535,019	57,586,889	4,330,130	16,959,961	54,390,968
8	Operational deposits	—	—	—	—	—	—	—	—	—	—
9	Other wholesale funding	69,537,380	55,372,729	5,465,886	19,879,733	59,655,637	65,535,019	57,586,889	4,330,130	16,959,961	54,390,968
10	Liabilities with matching interdependent assets	—	—	—	—	—	—	—	—	—	—
11	Other liabilities; of which:	802,710	4,517,587	0	894,690	118,476	1,128,670	4,361,561	0	1,078,679	121,511
12	Derivative liabilities	—	—	—	701,452	—	—	—	—	938,173	—
13	All other liabilities and equity not included in the above categories	802,710	4,517,587	0	193,238	118,476	1,128,670	4,361,561	0	140,505	121,511
14	Total available stable funding	—	—	—	—	128,237,733	—	—	—	—	122,559,601
Required stable funding (RSF) items (2)											
15	HQLA	—	—	—	—	2,863,005	—	—	—	—	2,706,479
16	Deposits held at financial institutions for operational purposes	317,900	29,016	0	0	173,458	393,134	33,893	0	0	213,513
17	Loans, repo transactions-related assets, securities and other similar assets; of which:	1,548,545	37,683,253	10,268,519	69,221,030	77,883,555	1,685,192	40,324,132	9,564,493	69,956,569	79,266,461
18	Loans to- and repo transactions with- financial institutions (secured by level 1 HQLA)	0	4,751,498	13,812	51,622	89,656	0	4,081,277	24,074	3,052	68,393
19	Loans to- and repo transactions with- financial institutions (not included in item 18)	242,534	9,348,002	2,838,124	10,461,698	13,368,048	375,469	11,792,942	2,517,695	10,723,504	14,013,362
20	Loans and repo transactions-related assets (not included in item 18, 19 and 22); of which:	889,227	21,962,713	6,545,211	45,052,240	52,494,030	897,196	22,728,144	6,273,113	45,358,730	53,051,741
21	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	726	2,784,708	346,258	1,180,461	1,861,178	147	2,795,620	301,164	1,293,116	1,978,570
22	Residential mortgages; of which:	0	292,222	290,990	10,624,058	8,002,447	0	291,306	290,906	10,538,905	7,943,873
23	With a risk weight of less than or equal to 35% under the Standardised Approach for credit risk	0	159,199	158,961	6,598,039	4,447,806	0	158,331	157,937	6,526,512	4,400,367
24	Securities that are not in default and do not qualify as HQLA and other similar assets	416,784	1,328,816	580,379	3,031,409	3,929,371	412,525	1,430,460	458,702	3,332,375	4,189,089
25	Assets with matching interdependent liabilities	—	—	—	—	—	—	—	—	—	—
26	Other assets; of which:	3,805,991	934,490	91,507	7,680,326	11,921,967	3,301,577	794,524	88,364	7,671,495	11,477,851
27	Physical traded commodities, including gold	0	—	—	—	0	0	—	—	—	0
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs (including those that are not recorded on consolidated balance sheet)	—	—	—	923,316	784,818	—	—	—	953,783	810,716
29	Derivative assets	—	—	—	0	0	—	—	—	0	0
30	Derivative liabilities (before deduction of variation margin posted)	—	—	—	230,373	230,373	—	—	—	153,375	153,375
31	All other assets not included in the above categories	3,805,991	934,490	91,507	6,526,636	10,906,775	3,301,577	794,524	88,364	6,564,336	10,513,759
32	Off-balance sheet items	—	—	—	112,878,664	2,279,288	—	—	—	110,235,400	2,282,782
33	Total required stable funding	—	—	—	—	95,121,276	—	—	—	—	95,947,088
34	Consolidated net stable funding ratio (NSFR)	—	—	—	—	134.8%	—	—	—	—	127.7%